CASE NO. 22423

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, ETC. EDDY COUNTY AND LEA COUNTY, NEW MEXICO

EXHIBIT LIST

- 1. Application and Proposed Notice
- 2. Landman's Affidavit
- 3. Geologist's Affidavit
- 4. Affidavits of Mailing
- 5. Publication Affidavit
- 6. Pooling Checklist

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case No. 22423

SELF-AFFIRMED STATEMENT OF BRAXTON BLANDFORD

Braxton Blandford deposes and states:

1. I am a landman for Mewbourne Oil Company ("Mewbourne"), and have personal knowledge of the matters stated herein. I have previously testified before the Division and have been qualified by the Division as an expert petroleum landman.

2. Pursuant to Division Rules, the following information is submitted in support of the compulsory pooling application filed herein:

3. The purpose of this application is to force pool working interest owners into the Bone Spring horizontal spacing unit described below, and in wells to be drilled in the unit.

4. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests to the well.

5. A plat outlining the units being pooled is submitted as Attachment A. Mewbourne seeks orders pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2 NE/4 of Section 11 and N/2 N/2 of Section 12, Township 18 South, Range 31 East, NMPM (Eddy County) and Lot 1 and the NE/4 NW/4 of Section 7, Township 18 South, Range 32 East, NMPM (Lea County). The unit will be dedicated to the Iron Islands 11/7 B2BC Fed Com Well No. 1H, with a first take point in the NW/4 NE/4 of Section 11 and a last take point in the NE/4 NW/4 of Section 7. There is no depth severance in the Bone Spring formation.

A form C-102 for the well is also submitted as part of Attachment A.

6. The parties being pooled, and their interests, are set forth in Attachment B. Attachment C is a summary of communications and a sample copy of the proposal letters sent to the uncommitted working interest owners.

EXHIBIT 7

Some interest owners may be unlocatable. In order to locate the interest owners 7. Mewbourne examined the records of Eddy and Lea Counties, State Land Office records, and the Bureau of Land Management records. In addition, we conducted internet searches using Drilling Info, Accurint, and generic name searches on Google.

Mewbourne has made a good faith effort to locate and obtain the voluntary joinder of the working interest owners in the proposed well.

Mewbourne has the right to pool the overriding royalty owners in the well unit. 8

Attachment D contains the Authorization for Expenditure for the proposed well. 9 The estimated costs of the wells set forth therein are fair and reasonable, and comparable to the costs of other wells of similar depth and length drilled in this area of Eddy and Lea Counties.

Mewbourne requests overhead and administrative rates of \$8000/month for a 10. drilling well and \$800/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this portion of Eddy and Lea Counties. They are also the rates set forth in the Joint Operating Agreement for the well unit. Mewbourne requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

Mewbourne requests that the maximum cost plus 200% risk charge be assessed 11. against non-consenting working interest owners.

12. Mewbourne requests that it be designated operator of the well.

The attachments to this affidavit were prepared by me, or compiled from company 13 business records.

The granting of this application is in the interests of conservation and the prevention 14. of waste.

I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 14 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 41412023

Braveton Blandford

2



ATTACHMENT

A

District I 1625 N French Dr., Hobbs, NM 88240 Phone: (575) 593-6161 Fax: (575) 393-0720 District II 811 S First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3466 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

1	API Number		5	B04	40 TAMANO BONE SPRING								
⁴ Property Co	de		IR	ON ISL	⁵ Property N ANDS 11/7	ame B2BC FED	сом		⁶ Well Number 1 H				
7 OGRID NO. 8 Operator Name MEWBOURNE OIL COM													
					¹⁰ Surface	Location	-1.						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	Nonth/South line	Feet From the	East/West line	County				
С	11	18S	31E		1050	NORTH	2010	WEST	EDDY				
			11	Bottom H	lole Location	If Different Fro	om Surface						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	Nonth/South line	Feet from the	East/West line	County				
С	7	18S	32E		660	NORTH	2574	WEST	LEA				
² Dedicated Acre	s 13 Joint	or Infill 14 (Consolidation	Code 15 (Drder No		1						

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



Received by OCD: 4/5/2023 8:20:17 AM



Section Plat

Tract 3: N/2 NW/4 of Section 12-Federal Lease NM 002538 Mewbourne Oil Company The Jandesworth Enerphises The Tommye G Ewing Limited Partnetship Chi Energy Inc Northern Oil & Gas, hue MRC Delaware Resources LLC MRC Explorers Resources LLC MRC Spiral Resources LLC Nadel and Gussman Capitan, LLC Durango Production Corporation Yates Energy Corporation HEYCO Employees Ltd. Colkelan Corporation Jalapeno Corporation James H Yates Inc Patricia Ann Brunson

Yates Energy Corporation Calvin R. Kimbrough, Trustee of the Ann Kimbrough Irrevocable Trust Share of The Calvin and Ann Kimbrough Revocable Trust Chevron U.S.A. Inc. Devon Energy Production Company LP Tract 4: N/2 NE4 of Section 11-Federal Lease NM 0062052 Jalapeno Corporation MRC Delavare Resources, 1.LC MRC Explores Resources, 1.LC MRC Spiral Resources, LLC Nadel & Gussman Capitan, LLC S.W. Crosby, III Patti Jeanine Fletcher Letcher Amanda L. Fletcher-Furbee Thomas Edward Fletcher SBI West Texas I, LLC Laurelind Corporation Marty J Fletcher Valko, LLC

RECAPITUALTION FOR IRON ISLANDS 11/7 B2BC FED COM #111

Christopher R Fletcher

Fract Number	Number of Acres Committeed	Percentage of Interst in Communitized Area
1	80.99	25.23132%
2	80	24.92289%
3	80	24.92289%
4	80	24.92289%
TOTAL	320.99	100.0000%

Bone Spring Formation:

TRACT OWNERSHIP Iron Islands 11/7 B2BC Fed Com #1H Lot 1 and NE/4 NW/4 of Section 7, N/2 N2 of Section 12, and N/2 NE/4 of Section 11

% of Leasehold Interest 45.095666% Mewbourne Oil Company, et al. Owner

25.170541%

*MRC Delaware Resources 1.LC One Lincoln Centre, 5400 LBI Freeway, Suite 1500 Dallas, Texas 75240

*Devon Energy Production Company LP 333 W Sheridan Ave Oklahoma City, Ok 73102

8.904121%

*Marathon Oil Permian, LLC 990 Town & Country Blvd. Houston, TX 77024

6.787554%

Received by OCD: 4/5/2023 8:20:17 AM

3.085931%	2.902124%	2.076909%	2.151678%	2.076909%	1.115393%	0.249229%	0.218075%	0.103875%	0.027259%	0.013630%	0.013630%	0.003738%
*MRC Spiral Resources LLC One Lincoln Centre, 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	*MRC Explorers Resources LLC One Lincoln Centre, 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240	*The Tommye G Ewing Limited Partnership PO Box 1 Amarillo, Texas 79105	*Patricia Ann Bruson 4205 Lankford Avenue Springdale, AR 72762	•Charlesworth Enterprises PO Box 1 Amarillo, Texas 79105	 Occidental Permian Ltd. 5 Greenway Plaza, Suite 110 Houston, Texas 77046 	 Laurelind Corporation Solo N Main Street #827 Roswell, New Mexico 88201 	*Chevron USA Inc 1400 Smith Street Houston, Texas 77002	*HEYCO Employees Ltd. PO Box 1933 Roswell, New Mexico 88202-1933	*Patti Jeaniine Fletcher Letcher 88 W Compress Road Artesia, New Mexico	*Amanda L Fletcher-Furbee 443 McAdoo Avenue Greensboro, North Carolina 27406	*Christopher R. Pletcher 2511 Westbrock Drive Fort Wayne, Indiana 46805	*Colkelan Corporation PO Box 25663 Albuquerque, New Mexico 87125

Released to Imaging: 4/5/2023 8:25:47 AM

26 of 1.4 asschold Interest 4 01 06200% 20.882117% 20.282117% 8.950750% 8.950750% 0.572228% 0.572228% 0.296340% % of Lenschold Interest 44.016920% 29.832867% 11.609869% 11.609869% 0.296340% 0.572328% 0.572328% % of Leasehold Interest 40.439632% 24.763935% 16.509290% 4.16668% 100.000000% 4.166666% 4.166666% 2.781875% 2.781875% 0.2083933% 100.000000% 100.000000% 0.007500% 0.007500% 100.00000% 54.904334% Mewbourne Oil Company, et al. Marathon Oil Permian I.I.C. MRC Delaware Resources I.L.C The Tommye G Ewing Limited Partnership Mewbourne Oil Company, et al. Devon Energy Production Company LP MRC Delaware Resources LLC Occidental Permian Ltd. Mewbourne Oil Company, et al. Devon Energy Production Company LP MRC Delaware Resources LLC James H Yates Inc PO Box 189 Roswell, New Mexico 88202-0189 TOTAL. Marathon Oil Permian LLC MRC Spiral Resources LLC MRC Explorers Resources LLC Patricia Ann Brunson Patricia Ann Bhunson MRC Explorers Resources LLC MRC Sprial Resources LLC HEYCO Employees Ld. Colkelan Corporation James H Yates Inc. MRC Spiral Resources LLC MRC Explorers Resources LLC **Total Interest Being Pooled:** Marathon Oil Permian LLC OWNERSHIP BY TRACT NE/4 NW/4 of Section 7 Owner NE/4 NE/4 of Section 12 Owner Charlesworth Enterprises Patricia Ann Brunson Lot 1 of Section 7 Owner TOTAL TOTAL TOTAL

0.003738%

NW/4 NE/4 of Section 12

The Tommye G Ewing Limited Partnership Charlesword, Finderniss Charlesword, Finderniss MRC Explorers Resources LLC MRC Straphorers Resources LLC HEYVOE Employees Ltd. Collectin Corporation James H Yates Inc. Mewbourne Oil Company, et al. MRC Delaware Resources LLC Marathon Oil Permian LLC Owner

TOTAL

N/2 NW/4 of Section 12

Mewboure Oil Company, et al. Mewboure Oil Company, et al. MRC Delaware Resources LLC The Tommye G Ewing Limited Partnership Charlesworth Enterprises Patricia Ann Bhurson MRC Spiral Resources LLC MRC Explorers Resources LLC HEYCO Employees LLd. Colkelan Corporation James H Yates Inc. Owner

TOTAL.

Mewbourne Oil Company, et al. Chevron USA, Inc Devon Energy Production Company LP NE/4 NE/4 of Section 11 Owner

TOTAL

NW/4 NE/4 of Section 11 Owner

Merubourne Oil Company, et al. MRC Delaware Resources LLC Devon Energy Producion Company LP Laurelind Corporation MRC Spiral Resources LLC MRC Exporers Resources LLC Chevron USA Inc Patti Jeanine Fletcher Letcher Amanda L Fletcher-Furbec Christopher R Fletcher

TOTAL

% of Leasehold Interest

41.940.9% 27.959948% 4.166668% 4.166666% 4.166666% 2.781875% 0.2781875% 0.007500% 0.007500%

100.000000%

26 of Leasehold Interest 61 (5.73909% 20.084948% 41.166669% 41.166669% 2.7818759% 2.7818759% 0.207500% 0.007500% 0.007500%

100.00000%

% of Leasehold Interest 42.829718% 50.981532% 6.188750%

100.000000%

26 of L easthold Interest 3.1.731362% 3.4.28638% 2.0.00000% 2.0.00000% 5.038750% 4.813750% 1.756000% 0.103759% 0.109375% 0.109375%

100.000000%

Summary of Communications Iron Islands 11/7 B2BC Fed Com #1H Iron Islands 11/7 B2GF Fed Com #1H Iron Islands 11/7 B2JI Fed Com #1H Iron Islands 11/7 B2OP Fed Com #1H T18S-R31E, Eddy County, NM T18S-R32E, Lea County, NM

9/9/2021: Mailed Working Interest Unit, Well Proposal and Joint Operating Agreement to all of the below parties, unless mentioned otherwise in Summary of Communications below.

MRC Delaware Resources, LLC

MRC Spiral Resources, LLC

MRC Explorers Resources, LLC

10/1/2021: Mailed Working Interest Unit, Well Proposal and Joint Operating Agreement to the above listed party.

Multiple phone calls, email, and discussions since April 2022.

Marathon Oil Permian, LLC

12/16/2021: Phone correspondence left a Voicemail.

12/27/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

1/25/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

6/16/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

6/27/2022: Phone correspondence left a Voicemail.

7/7/2022: Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

9/14/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

ATTACHMENT

10/14/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

12/7/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

2/1/2023: Email and Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Devon Energy Production Company, LP

12/15/2021: Phone correspondence left a Voicemail.

12/27/2021: Phone correspondence left a Voicemail. Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

1/25/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

6/16/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Occidental Permian, Ltd

9/14/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

12/16/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

6/27/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Patricia Ann Brunson

3/3/2022: Mailed Working Interest Unit, Well Proposal and Joint operating Agreement to the above listed party. Email Correspondence with the above listed party regarding the Well Proposal and Working interest unit.

9/14/2022: Phone & Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Charlesworth Enterprises

The Tommye G Ewing Limited Partnership

9/14/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

9/16/2021: Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

9/29/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

10/6/2021: Phone & Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

11/10/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

12/14/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

12/27/2021: Called above listed party and left a voicemail.

1/6/2022: Called above listed party and left a voicemail.

Bank of America, N.A., successor Trustee of the Delmar H. Lewis Living Trust

10/18/2021: Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

11/10/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

12/20/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

1/11/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

1/26/2022: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

Chevron USA, Inc

9/29/2021: Email correspondence with the above listed party regarding the Working interest unit.

10/26/2021: Phone correspondence with the above listed party regarding the Working interest unit.

1/12/2022: Email correspondence with the above listed party regarding the Working interest unit.

3/21/2022: Email correspondence with the above listed party regarding the Working interest unit.

J.R. Norton Company

10/11/2021: Mailed another Working Interest Unit, Well Proposal and Joint operating Agreement to the above listed party. Proof of delivery is attached.

Did not find a good contact.

Laurelind Corporation

12/13/2021: Phone correspondence with the above listed party regarding the Well Proposal and Working interest unit.

12/28/2021: Email correspondence with the above listed party regarding the Well Proposal and Working interest unit.

1/12/2022: Phone correspondence left a Voicemail.

6/16/2022: Phone correspondence left a Voicemail.

Patti Jeanine Fletcher Letcher

9/27/2021: Mailed another Working Interest Unit, Well Proposal and Joint operating Agreement to the above listed party.

1/3/2022: Email correspondence with the above listed party regarding the working interest unit.

3/3/2022: Email correspondence with the above listed party regarding the working interest unit.

6/20/2022: Email correspondence with the above listed party regarding the working interest unit.

Amanda L Fletcher-Furbee

9/27/2021: Mailed another Working Interest Unit, Well Proposal and Joint operating Agreement to the above listed party.

1/3/2022: Email correspondence with the above listed party regarding the working interest unit.

1/5/2022: Phone correspondence with the above listed party regarding the working interest unit.

1/31/2022: Email correspondence with the above listed party regarding the working interest unit.

6/20/2022: Email correspondence with the above listed party regarding the working interest unit.

Christopher R. Fletcher

9/27/2021: Mailed another Working Interest Unit, Well Proposal and Joint operating Agreement to the above listed party.

1/3/2022: Email correspondence with the above listed party regarding the working interest unit.

3/3/2022: Email correspondence with the above listed party regarding the working interest unit.

James H. Yates, Inc

10/1/2021: Mailed Working Interest Unit, Well Proposal and Joint operating Agreement to the above listed party.

Did not find a good contact.

Colkelan Corporation

10/1/2021: Mailed Working Interest Unit, Well Proposal and Joint operating Agreement to the above listed party.

Did not find a good contact.

HEYCO Employees, Ltd.

Did not find a good contact.

Frost Bank trustee of the Joesphine T. Hudson Testamentary Trust FBO J. Terrell Ard

Did not find a good contact.

MEWBOURNE OIL COMPANY FASKEN CENTER 500 WEST TEXAS, SUITE 1020 MIDLAND, TX 79701

TELEPHONE (432) 682-3715

October 1, 2021

Via Certified Mail

MRC Delaware Resources, LLC 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240

Re: Iron Islands 11/7 B2BC Fed Com #1H 820' FNL & 2010' FWL (Section 11) 660' FNL & 2540' FWL (Section 7)

and

and

Iron Islands 11/7 B2GF Fed Com #1H 850' FNL & 2010' FWL (Section 11) 1980' FNL & 2540' FWL (Section 7)

Iron Islands 11/7 B2JI Fed Com #1H 850' FSL & 2550' FEL (Section 11) 1980' FSL & 100' FEL (Section 7)

Iron Islands 11/7 B2OP Fed Com #1H 820' FSL & 2550' FEL (Section 11) 660' FSL & 100' FEL (Section 7)

Section 7, T18S, R32E, Lea County, New Mexico Sections 11 & 12, T18S, R31E, Eddy County, New Mexico

Ladies and Gentlemen,

Mewbourne Oil Company ("Mewbourne") as Operator hereby proposes to form a 1443.84 acre Working Interest Unit ("WIU") covering the E/2 of Section 11, All of Section 12, and the NW/4 & S/2 of Section 7 for oil and gas production. The targeted interval for the proposed unit is the Bone Spring formation.

In addition, Mewbourne as Operator hereby proposes to drill the captioned Iron Islands 11/7 B2BC Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,705 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 19,580 feet. The N/2NE/4 of Section 11, the N/2N/2 of Section 12, and the N/2NW/4 of Section 7 will be dedicated to the well as the proration unit.

In addition, Mewbourne as Operator hereby proposes to drill the captioned Iron Islands 11/7 B2GF Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,800 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 19,631 feet. The S/2NE/4 of Section 11, the S/2N/2 of Section 12, and the S/2NW/4 of Section 7 will be dedicated to the well as the proration unit.

Mewbourne as Operator hereby proposes to drill the captioned Iron Islands 11/7 B2JI Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,850 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 21,550 feet. The N/2S/2 of the captioned Sections 7 & 12 and the N/2SE/4 of the captioned Section 11 will be dedicated to the well as the proration unit.

Finally, Mewbourne as Operator hereby proposes to drill the captioned Iron Islands 11/7 B2OP Fed Com #1H well at the above referenced surface location (SL) to the referenced bottom hole location (BHL). The proposed well will be drilled to an approximate true vertical depth (TVD) of 8,890 feet subsurface to evaluate the Second Bone Spring Sand Formation. The proposed well will have a measured depth (MD) of approximately 21,510 feet. The S/2S/2 of the captioned Sections 7 & 12 and the S/2SE/4 of the captioned Section 11 will be dedicated to the well as the proration unit.

Regarding the above, enclosed for your further handling is our Operating Agreement dated September 1, 2021, along with an extra set of signature pages and our AFEs dated August 17, 2021, for the captioned proposed wells. Please sign and return said AFEs and extra set of signature pages at your earliest convenience if you elect to participate in the captioned wells and WIU and return to me within thirty (30) days.

If you have any questions regarding the above, please email me at <u>bblandford@mewbourne.com</u> or call me at (432) 682-3715.

Sincerely,

MEWBOURNE OIL COMPANY

Braxton Blandford Landman

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATIONS OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY AND LEA COUNTIES, NEW MEXICO.

Case Nos. 22423 - 22426

SELF-AFFIRMED STATEMENT OF CHARLES CROSBY

COUNTY OF MIDLAND

STATE OF TEXAS

Charles Crosby deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.

2. I am a geologist for Mewbourne Oil Company ("Mewbourne"), and I am familiar with the geological matters involved in these cases. I have been qualified by the Division as an expert petroleum geologist.

3. The following geological plats are attached hereto:

)) ss.

(a) Attachment A is a structure map of a portion of 18S-31E and 18S-32E on the base of the Second Bone Spring Sand. It shows that structure dips gently to the south-southeast. It also shows Second Bone Spring wells in the area, and a line of cross-section.

(c) Attachment B is a cross section showing the Second Bone Spring Sand, the target zones for the proposed Iron Island wells. The well logs on the cross-section give a representative sample of the Second Bone Spring Sand in this area. The sand is continuous and uniformly thick across the well units.

4. I conclude from the maps that:

(a) The horizontal spacing units are justified from a geologic standpoint.

(b) The target zone is continuous and of relatively uniform thickness across the well units.

(c) Each quarter-quarter section in each well unit will contribute more or less equally to production.

EXHIBIT 3

(d) There is no faulting or other geologic impediment in the area which will affect the drilling of the subject wells.

5. Attachment A shows other Second Bone Spring Sand wells drilled in this area. There is a substantial preference for laydown wells.

6. Attachment C contains horizontal drilling plans for the proposed wells. The producing intervals of the wells will be orthodox.

I understand that this Self-Affirmed Statement will be used as written testimony in these cases. I affirm that my testimony in paragraphs 1 through 6 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 4/3/28

Charles C

Received by OCD: 4/5/2023 8:20:17 AM

Page 20 of 31













Top 2nd BSPG Target SDs

Base 2nd BSPG SD

Iron slands d RSPI

Top 3rd BSPG arbonate



Received by OCD: 4/5/2023 8:20:17 AM

300152730000 → ● • MATES I-MARYEY E CO HUGSON 'I' FEDERAL 3 HUGSON 'I' FEDERAL 3 DIAMM-218L0 FEL DIAMM-218L0 FEL DIAMM-218L0 FEL

Iron Islands 2nd BSPG Sand Cross Section Exhibit (A-A')

 ω

ATTACHMENT

MAN



Released to Imaging: 4/5/2023 8:25:47 AM



Released to Imaging: 4/5/2023 8:25:47 AM



Released to Imaging: 4/5/2023 8:25:47 AM



Released to Imaging: 4/5/2023 8:25:47 AM

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT **OIL CONSERVATION DIVISION**

APPLICATION OF MEWBOURNE OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY AND LEA COUNTY, NEW MEXICO.

Case No. 22423

SELF-AFFIRMED STATEMENT OF NOTICE

James Bruce deposes and states:

I am over the age of 18, and have personal knowledge of the matters stated herein. 1.

2. I am an attorney for Mewbourne Oil Company.

3. Mewbourne Oil Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.

Notice of the application was provided to the interest owners, at their last known 4. addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.

5. Applicant has complied with the notice provisions of Division Rules.

6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date: 4/4/23

es Bruce

James Bruce

EXHIBIT

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

December 16, 2021

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of two applications, filed with the New Mexico Oil Conservation Division by Mewbourne Oil Company, seeking orders pooling all uncommitted mineral interest owners in the Bone Spring formation in the horizontal spacing units described below:

1. <u>Case 22423</u>: The N/2NE/4 of Section 11 and the N/2N/2 of Section 12, Township 18 South, Range 31 East, NMPM (Eddy County), and Lot 1 and the NE/4NW/4 (the N/2NW/4) of Section 7, Township 18 South, Range 32 East, NMPM (Lea County). The unit will be dedicated to the Iron Islands 11/7 B2BC Fed. Com. Well No. 1H; and

ATTACHMENT

2. <u>Case 22424</u>: The S/2NE/4 of Section 11 and the S/2N/2 of Section 12, Township 18 South, Range 31 East, NMPM (Eddy County), and Lot 2 and the SE/4NW/4 (the S/2NW/4) of Section 7, Township 18 South, Range 32 East, NMPM (Lea County). The unit will be dedicated to the Iron Islands 11/7 B2GF Fed. Com. Well No. 1H.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, January 6, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to <u>emmrd.state.nm.us/OCD/hearings</u> or see the instructions posted on the Division's website, <u>http://emmrd.state.nm.us/OCD/announcements.html</u>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, December 30, 2021. This statement may be filed online with the Division at <u>ocd.hearings@state.nm.us</u>, and should include: The name of the party and his or

her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours

James Bruce

Attorney for Mewbourne Oil Company

EXHIBIT A

MRC Delaware Resources, LLC MRC Spiral Resources, LLC MRC Explorers Resources, LLC One Lincoln Centre, 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240 Attn: Land Department

Colkelan Corporation PO Box 25663 Albuquerque, New Mexico 87125 Attn: Land Department

Valko, LLC PO Box 1090 Roswell, New Mexico 88202-1090 Attn: Land Department

Amanda L Fletcher-Furbee 443 McAdoo Avenue Greensboro, North Carolina 27406

Patricia Ann Brunson 4205 Lankford Avenue Springdale, AR 72762

HEYCO Employees Ltd PO Box 1933 Roswell, New Mexico 88202-1933

James H Yates, Inc PO Box 189 Roswell, New Mexico 88202-0189 Attn: Land Department

Chevron USA, Inc 1400 Smith Street Houston, Texas 77002 Attn: Scott Sabrusula

Patti Jeanine Fletcher Letcher 88 W Compress Road Artesia, New Mexico

Christopher R Fletcher 2511 Westbrook Drive Fort Wayne, Indiana 46805 Laurelind Corporation 500 N Main Street #827 Roswell, New Mexico 88201 Attn: Land Department

Extex Operating Company 5065 Westheimer, Suite 625 Houston, Texas 77056 Attn: Andrew Bishop

Vivian Ann Brunson 4205 Lankford Avenue Springdale, AR 72762

Devon Energy Production Company, LP 333 West Sheridan Avenue Oklahoma City, Oklahoma Attn: Land Department

Charlesworth Enterprises PO Box 1 Amarillo, Texas 79105 Attn: Michael Pirtle

The Tommye G Ewing Limited Partnership PO Box 1 Amarillo, Texas 79105 Attn: Michael Pirtle

Yates Energy Corporation PO Box 2323 Roswell, New Mexico 88202 Attn: Becky Pemberton

Marathon Oil Permian, LLC 990 Town and Country Blvd. Houston, Texas 77024 Attn: Land Department

Occidental Permian, LP 5 Greenway Plaza, Suite 110 Houston, Texas 77046 Attn: Land Department Received by OCD: 4/5/2023 8:20:17 AM ~

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated December 26, 2021 and ending with the issue dated December 26, 2021.

Publisher

Sworn and subscribed to before me this 26th day of December 2021.

Business Manager



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said LEGAL

LEGAL

LEGAL NOTICE December 26, 2021

To: MRC Delaware Resources, LLC, MRC Spiral Resources, LLC, MRC Explorers Resources, LLC, Colkelan Corporation, Valko, LLC, Amanda L Fletcher-Furbee, Laurelind Corporation, Extex Operating Company, Vivian Ann Brunson, Devon Energy Production Company, L.P., Charlesworth Enterprises, The Tommye G. Ewing Limited Partnership, Yates Energy Corporation, Marathon Oil Permian LLC, Occidental Permian, LP, Patricia Ann Brunson, HEYCO Employees Ltd., James H. Yates, Inc., Chevron U.S.A., Inc., Patti Jeanine Fletcher Letcher, and Christopher R. Fletcher, or your heirs, devisees, successors, or assigns: Mewbourne Oil devisees, successors, or assigns: Mewbourne Oil Company has filed an application with the New Mexico Oil Conservation Division seeking an order pooling all uncommitted mineral interest owners in the Bone Spring formation underlying pooling all uncommitted mineral interest owners in the Bohe Spring formation underlying a horizontal spacing unit comprised of the N/2NE/4 of Section 11 and the N/2N/2 of Section 12, Township 18 South, Range 31 East, NMPM (Eddy County), and Lot 1 and the NE/4NW/4 (the N/2NW/4) of Section 7, Township 18 South, Range 32 East, NMPM (Lea County). The unit will be dedicated to the Iron Islands 11/7 B2BC Fed. Com. Well No. 1H (Case No. 22423). Also to be considered will be the cost of drilling, completing, and equipping the well and the drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. This matter is scheduled for hearing at 8:15 a.m. on Thursday, January 6, 2022. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website. http://emnrd.state.nm.us/OCD/announcements.html. You are not required to attend this hearing, but as an owner of an interest that may be affected by the application, you may appear and present testimony. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, December 30, 2021. This statement may be filed online with the Division at ocd.hearings@state.nm.us. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jamesbruc@aol.com. The unit is located approximately 10 miles southeast of Loco Hills, New approximately 10 miles southeast of Loco Hills, New Mexico. #37173

01101711

00261993

EXHIBIT

JAMES BRUCE JAMES BRUCE, ATTORNEY AT LAW P.O. BOX 1056 SANTA FE, NM 87504

Released to Imaging: 4/5/2023 8:25:47 AM

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005058454 This is not an invoice

JAMES BRUCE ATTORNEY AT LAW POBOX 1056

SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/26/2021

Legal Clerk

Subscribed and sworn before me this December 26,



State of WI, County of Brown NOTARY PUBLIC

30

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0005058454 PO #: 5058454 # of Affidavits1

This is not an invoice

NOTICE

To: MRC Delaware Resources, LLC, MRC Spiral Resources, LLC, MRC Explorers Resources, LLC, Colkelan Corporation, Valko, Colkelan Corporation, Valko, LLC, Amanda L Fletcher-Furbee, Laurelind Corporation, Extex Operating Company, Vivian Ann Brunson, Devon Energy Produc-tion Charlesworth Energy Produc-tion Company, L.P., Charlesworth Enterprises, The Tommye G. Ewing Limited Part-nership, Yates Energy Corpora-tion, Marathon Oil Permian LLC, Occidental Permian, LP, Patricia Ann Brunson, HEYCO Employees Ltd., James H. Yates, Inc., Chev-ron U.S.A., Inc., Patti Jeanine Fletcher Letcher, and Christo-pher R. Fletcher, or your heirs, devisees, successors, or assigns filed an application with the New Mexico Oil Comservation Di-vision seeking an order pooling vision seeking an order pooling all uncommitted mineral interest an underlying a horizontal spacing unit comprised of the N/2NE/4 of Section 11 and the N/2NE/4 of Section 12, Township 18 South, Range 31 East, NMPM (Eddy County), and Lot 1 and the NE/4NW/4 (the N/2NW/4) of Section 7, Township 18 South, Range 32 East, NMPM (Lea County). The unit will be dedi-cated to the Iron Islands 11/7 B2BC Fed. Com. Well No. 1H (Case No. 22423). Also to be con-sidered will be the cost of drill-ing, completing, and equipping the well and the allocation of the cost thereof, as well as ac-tual operating costs and charges for supervision, designation of applicant as operator of the owners in the Bone Spring forfor supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, complet-ing, and equipping the well. This matter is scheduled for hearing at 8:15 a.m. on Thursday, Janu-ary 6, 2022. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To deter-mine the location of the hearing or to participate in an electronic hearing, go to hearing, go to emnrd.state.nm.us/OCD/hearings emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://em nrd.state.nm.us/OCD/announce ments.html. You are not re-quired to attend this hearing, but as an owner of an interest that may be affected by the ap-plication, you may appear and present testimony. A party ap-pearing in a Division case is re-quired by Division Rules to file a Pre-Hearing Statement no later than Thursday, December 30. than Thursday, December 30, 2021. This statement may be filed online with the Division at ocd.hearings@state.nm.us. Failocd.hearings@state.nm.us. Fail-ure to appear at that time and become a party of record will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, jamesbruc@ aol.com. The unit is located ap-proximately 10 miles southeast of Loco Hills, New Mexico. #5058454, Current Argus, Dec.26, 2021